

AIR FORCE AUDIT AGENCY



ADVISORY AND ASSISTANCE SERVICES CONTRACTS



AUDIT REPORT

F2011-0001-FC1000
30 November 2010

INTRODUCTION

Advisory and Assistance Services (A&AS) are contract support acquired from non-governmental sources to improve the effectiveness and economy of government operations. The Air Force uses A&AS contracts to improve organizational policy development, decision making, program and project management, and research and development. The Air Force annually reports A&AS contract costs to Congress through the DoD. Air Force reported A&AS contracts valued at \$1.37 billion (adjusted from \$2.3 billion for congressionally approved exemptions) for Fiscal Year (FY) 2010.

OBJECTIVES

We performed this audit because the Air Force spends billions of dollars to acquire contract advisory and assistance support that is critical to effective mission accomplishment. The objective of this audit was to evaluate whether Air Force personnel properly used and effectively managed A&AS contracts. Specifically, we determined if Air Force personnel:

- Appropriately identified and evaluated A&AS requirements.
- Properly awarded A&AS contracts and task orders.
- Reported accurate and complete A&AS data.

CONCLUSIONS

Air Force personnel did not always properly use and effectively manage A&AS contracts. Personnel awarded A&AS contracts/task orders in accordance with established policy for fair opportunity, competition, time limitations, lowest cost, technical capability, and satisfactory performance. However, personnel did not consistently evaluate A&AS requirements to assess whether the work was appropriate for contract performance and did not accurately report A&AS contract data. Details are as follows:

- Air Force personnel did not adequately evaluate requirements for 21 of 28 contracts/task orders reviewed. In particular, contracts/task orders contained requirements that were closely related to inherently governmental functions, personal services, or enduring operational tasks. As a result, the Air Force expended \$754.4 million to acquire

Executive Summary

contract A&AS support that may have been more appropriate for government employee performance. In addition, the Air Force increased its risk for potential loss of government control over and accountability for mission-related policy and programs. (Tab A, page 2)

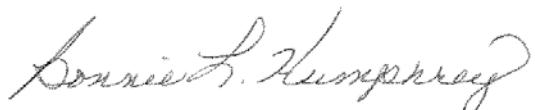
- Air Force organizations did not report accurate and complete information for the FY 2010 A&AS data call. As a result, the FY 2010 data call overstated A&AS costs by more than \$430 million and contract manpower equivalents by nearly 1,700 positions. Further, errors and omissions in A&AS data call submissions could result in erroneous reporting of A&AS contract status to Congress. (Tab B, page 7)

RECOMMENDATIONS

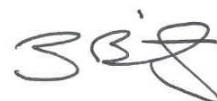
We made two recommendations to improve the management, use, and reporting of A&AS contracts. (Reference the individual Tabs for specific recommendations.)

MANAGEMENT'S RESPONSE

Management comments addressed the issues raised in the audit results, and management actions taken or planned are responsive.



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Tab A

A&AS Requirements

BACKGROUND

The Federal Acquisition Regulation (FAR) prohibits organizations from using A&AS contracts to perform inherently governmental¹ work of a policy or decision making nature. At times the distinction between inherently governmental and support for inherently governmental work can become questionable because of the nature of the function, the manner in which the contractor performs the contract, or the manner in which the Air Force administers contractor performance. The closer contractor services come to supporting inherently governmental functions, the greater the risk of inappropriate influence on the Air Force's decision making processes, which may result in decisions that are not in the best interest of the Air Force and increase its vulnerability to waste, fraud, and abuse. Prior to contracting for A&AS that closely supports inherently governmental functions, Air Force officials should assess the increased risk and consider the potential adverse mission implications that could result from using contractors to perform the work.

The FAR also prohibits agencies from awarding personal services contracts unless specifically authorized by statute.² A personal services contract is characterized by the employer-employee relationship it creates between the government and the contractor's personnel. A personal service occurs when contractor personnel are subject to the supervision and control of a government officer or employee. Key indicators that a contract is for personal services include: onsite performance using government-furnished property; comparable services performed in similar agencies using government employees; the expectation that the service will last more than 1 year; and the requirement for government direction or supervision to protect the government's interest, retain control of the function, or retain full personal responsibility.

Enduring operational requirements are functions or tasks that personnel perform on a daily, recurring, and routine basis in direct support of the organization's mission. When organizations acquire long-term or enduring requirements on A&AS contracts to accomplish day-to-day operational tasks even though government personnel could perform the work at a lower cost, the requiring activities must document their plans to hire additional government resources to perform the work or justify why contracting out is necessary and cost-effective.³

¹ An inherently governmental function is one that is so intimately related to the public interest as to require performance by Federal Government employees.

² FAR 37.104 -- Personal Services Contracts.

³ Air Force Instruction 63-401, *Contracted Advisory and Assistance Services*, 1 November 1993.

Tab A

A&AS Requirements

The Deputy Assistant Secretary for Acquisition Integration (SAF/AQX), in coordination with the Deputy Assistant Secretary for Contracting (SAF/AQC) and the Directorate of Manpower, Organization, and Resources (AF/A1M), is responsible for Air Force A&AS policy and guidance. In July 2001, SAF/AQX established policy⁴ requiring Air Force organizations accomplish a Determination Decision Document (DDD) to demonstrate that government resources were not available to perform the A&AS work or that contracting for the advisory and assistance support was necessary and in the best interest of the Air Force. In 2005, SAF/AQX revised the Air Force policy⁵ to make the DDD optional.

AUDIT RESULTS 1 – A&AS REQUIREMENTS

Condition. Air Force personnel did not adequately evaluate requirements to determine whether they were appropriate for A&AS contract award. Specifically, 21 of 28 contracts/task orders reviewed contained requirements (valued at \$754.4 million) that were closely related to inherently governmental functions, personal services, or enduring operational tasks potentially more appropriate for government performance (Table 1). Details follow.

- Closely Related to Inherently Governmental Functions. Three Air Force organizations acquired \$94.3 million of A&AS support on eight contracts/task orders that constituted work so closely supporting inherently governmental functions as to create significant risk that the contractors could influence or direct decisions that are not in the best interest of the Air Force. For example, A&AS contractors developed and recommended policy changes, performed governance and strategic planning, created and submitted budget requests, prepared system requirements and operations, and conducted technical evaluations of contractor cost proposals.
- Personal Services. Four Air Force organizations acquired \$22.9 million of A&AS support on four contracts that included personal services. To explain, the contractors' performance was typically performed in government offices, using government equipment under the supervision of government employees, thereby creating an employer-employee relationship. For example, government employees, such as quality assurance evaluators, assigned contractor employees day-to-day tasks and directed the work efforts of contractor employees. The

⁴ SAF/AQX memo, Air Force A&AS policy letter, 23 July 2001.

⁵ SAF/AQX memo, Air Force A&AS policy memo, 23 July 2001, Revision 1; *Use of Determination/Decision Document Optional*, 17 November 2005.

Tab A A&AS Requirements

contractor employees had performed the same recurring and routine work for 3 to 8 years. These extended performance periods demonstrate that management could have reasonably expected the need for the support to exceed 1 year.

- Enduring Operational Requirements. Eight Air Force organizations acquired \$749.9 million of A&AS support on 18 contracts to accomplish enduring, day-to-day operational requirements that may have been more appropriate and economical for government performance. For example, A&AS contractor personnel routinely performed Defense Travel System administrative tasks, security monitor duties, cost estimating, and financial analysis. Further, the Air Force had acquired the on-going A&AS support for at least 6 years and as much as 26 years on 8 of the contracts (Table 2).

Location	# of Contracts/TOS Reviewed	# of Contracts/TOs with A&AS Requirements Inappropriate for Contract Performance	\$ Value of Contracts/TOS with A&AS Requirements Inappropriate for Contract Performance	# of Contracts with Closely Related to Inherently Governmental Functions	\$ Value of Contracts with Closely Related to Inherently Governmental Functions	# of Contracts Including Personal Services	\$ Value of Contracts Including Personal Services	# of Contracts Containing On-going Operational Requirements	\$ Value of Enduring Operational Requirements
Hanscom	4	4	\$ 95,097,142	3	\$71,684,056	0	\$ 0	4	\$ 95,097,142
Los Angeles	2	2	14,692,571	2	14,692,571	1	11,950,933	2	14,692,571
Wright-Patterson	6	5	8,905,145	3	7,950,976	1	6,707,260	4	8,755,145
Langley	2	1	1,515,234	0	0	1	1,515,234	0	0
Offutt	1	1	8,251,545	0	0	0	0	1	8,251,545
Scott	2	0	0	0	0	0	0	0	0
Peterson	2	1	2,820,258	0	0	1	2,820,258	0	0
HAF	2	2	200,029,719	0	0	0	0	2	200,029,719
AFDW	1	1	16,670,321	0	0	0	0	1	16,670,321
AFISRA	2	1	4,126,883	0	0	0	0	1	4,126,883
Randolph	4	3	402,317,231	0	0	0	0	3	402,317,231
Totals	28	21	\$754,426,049	8	\$94,327,603	4	\$22,993,685	18	\$749,940,557

Table 1. Support for A&AS Requirements More Appropriate for Government Performance.

Tab A

A&AS Requirements

MAJCOM	Contract Description	Contract Number	Year Requirement First Placed on Contract	Number of Years A&AS Acquired	Contract/Task Order \$ Value
AFMC	Engineering Support	FA8721-07-F-0110	1984	26	\$ 13,405,950
AFMC	Information Technology	FA8721-07-F-0053	1984	26	4,864,594
AFSPC	Space Control Support	FA2517-08-C-8000	2004	6	15,468,469
AFSPC	Space Test Training Range	FA8802-07-F-1017	2002	8	2,741,638
AFSPC	Space-Based Infrared System (SBIRS) High	FA8802-05-F-7048	2000	10	11,950,933
AMC	Operational Management Support	FA4452-08-C-0001	2003	7	3,867,285
AMC	Intelligence Management	FA8771-04-D-0004/6C15	2002	8	9,041,007
HAF	Management and Professional Support	FA7014-07-C-0009	2000	10	200,029,719
Total					\$261,369,595

Table 2. Performance Period for Enduring A&AS Operational Support.

Cause. These conditions occurred because mandatory manpower reductions forced Air Force organizations to increase their reliance on A&AS contractors to perform their mission. In addition, the Air Force acquisition policies did not include a requirement for organizations to assess the risk associated with acquiring contract A&AS. Further, Air Force relaxed the A&AS justification requirements. Details follow.

- **Manpower Reductions.** Air Force organizations took the mandated manpower reductions without the benefit of in-depth manpower studies or staffing analysis. Without adequate analysis, these reductions put Air Force organizations in a position of having to acquire additional A&AS contractors to perform the work essential to their mission that government employees had performed prior to the mandated manpower reductions.
- **Risk Assessments.** Air Force policies did not require organizations to perform a risk assessment prior to acquiring A&AS contractors to perform work closely supporting inherently governmental functions. Therefore, when making the decision to acquire A&AS support, Air Force personnel were not always aware of increased risk and potential adverse mission implications that could result from using contractors to perform advisory and assistance tasks or functions.

- **Justification Requirements.** In 2005, the Air Force⁶ issued a policy memorandum relaxing the DDD requirements for contract A&AS. Specifically, the memorandum made the DDD optional, thereby eliminating a management control that helped ensure organizations fully evaluated requirements and justified A&AS sourcing decisions. Organizations generally elected not to accomplish the DDD, making it easier for organizations to overlook or circumvent the justification, certification, and approval requirements for acquiring A&AS. Further, the Air Force did not establish a process that required acquiring agencies to establish a plan for hiring government employees when government performance was more cost-effective.

Impact. As a result, the Air Force expended \$754.4 million to acquire contract A&AS support that may have been more appropriate for government employee performance. In addition, the Air Force increased its risk for potential loss of government control over and accountability for mission-related policy and programs. Although contractors provide vital expertise, Air Force organizations must be alert to situations in which excessive reliance on contractors undermines the ability of the Air Force to accomplish its missions and can lead to the erosion of the in-house capability that is essential to effective government performance.

Audit Comment. On 8 April 2009, Office of the Secretary of Defense (OSD) Comptroller signed Resource Management Decision 802, which realigned resources for FYs 2010 through 2015, decreased funding for contract support and increased funding for new civilian manpower authorizations. Beginning in FY 2010, the Air Force initiated action to identify in-sourcing opportunities and convert service contracts, including A&AS, to government employee performance. In May 2010, the Air Force issued In-Sourcing Procedures Guidance, to facilitate development of a contract-to-civilian work force transition plan. Because of on-going actions, we will not make a recommendation addressing in-sourcing efforts.

Recommendation A.1. SAF/AQX, in coordination with SAF/AQC and AF/A1M, should issue implementing guidance that provides instruction to Air Force organizations on:

- a. Assessing risk when acquiring contract A&AS closely supporting inherently governmental functions.
- b. Developing plans to hire government employees to perform A&AS work that can be achieved more cost-effectively with government personnel.

⁶ Air Force Advisory and Assistance Service (A&AS) Policy Memo, 23 July 2001, Revision; *Use of Determination/Decision Document Optional*, 17 November 2005.

Tab A

A&AS Requirements

c. Justifying acquiring contract A&AS. The justification should demonstrate government resources are not available to perform the A&AS work and/or that contracting for the advisory and assistance support was necessary and in the best interest of the Air Force.

Management Comments. SAF/AQX concurred with the intent of the issue and stated: “Concur with intent. While broad guidance exists to ensure contracting officers review the risks of work being considered for A&AS contracts in the FAR, Defense Federal Acquisition Regulation Supplement, Air Force Federal Acquisition Regulation Supplement, and Air Force Instruction 63-101, *Acquisition and Sustainment Life Cycle Management*, more specific Air Force A&AS guidance needs to be provided. We will prepare an Air Force A&AS Policy Letter that addresses these specific areas of additional guidance in the near term, and incorporate these policies into proper Air Force acquisition or other functional instructions. Estimated completion date is 31 August 2011.”

Evaluation of Management Comments. Management comments addressed the issues raised in the audit results, and management actions planned are responsive and should correct the problem.

Tab B

A&AS Reporting

BACKGROUND

The DoD Financial Management Regulation (FMR)⁷ requires all DoD activities to report through DoD to Congress⁸ the amount spent and estimated for advisory and assistance services that enhance, assist, or improve the ability of government employees to make decisions on governmental processes, programs, and systems. Congressional concern stems from both the rising cost and expanding nature of A&AS.

SAF/AQX issues an annual A&AS data call to all Air Force major commands (MAJCOMs), Direct Reporting Units (DRUs), and Field Operating Agencies (FOAs). In turn, the MAJCOMs, DRUs, and FOAs task their subordinate units to manually identify and report the A&AS information specified in the SAF/AQX data call instructions to include all Air Force-funded contract manpower equivalents (CMEs)⁹ and associated funding. SAF/AQX consolidates the data received from the data call and reports to DoD for consolidation and submission to Congress.

AUDIT RESULTS 2 – A&AS REPORTING

Condition. Air Force organizations did not always report accurate or complete A&AS data for the FY 2010 A&AS data call. Specifically:

- Accuracy of A&AS Data. Contracting personnel reported \$434.3 million and 1,703.3 CMEs on 17 contracts as A&AS, even though SAF/AQX data call instructions specified organizations should not count these type services as A&AS. To explain:
 - One organization reported costs of \$402.3 million and 1,533 CMEs for 3 contracts that provided gate guard and security functions for the base. However, these contracts are base operating support (BOS), not A&AS.
 - One MAJCOM reported DoD Transportation Working Capital Fund (TWCF) A&AS costs of over \$31 million and 164 CMEs for requirements procured on 13 contracts. In accordance with the SAF/AQX instructions, the Air Force

⁷ Volume 2B, Chapter 19, September 2008.

⁸ Reporting follows Exhibit PB-15, Advisory and Assistance Services, format (FMR Volume 2B, Chapter 19). Provides prior-year, current-year, and budget-year actual and estimated data.

⁹ CMEs represent the number of in-house manpower authorizations the Air Force would require to perform the contracted workload at the same level of service specified in a contract.

Tab B

A&AS Reporting

should not have reported this information because it was DoD funded, not Air Force funded.

- One MAJCOM reported DoD Base Realignment and Closure (BRAC) costs of \$911,000 and 6 CMEs. However, the BRAC work was not Air Force funded, and the SAF/AQX data call instructions specifically stated only Air Force funds should be reported as part of the A&AS data call.

Contract Number	Contract Value	Number of CMEs	Reason Contract Should Not Have Been Reported
FA4452-06-C-0001	\$ 3,679,000	16.0	TWCF
FA4452-06-F-0007	18,011,000	82.0	TWCF
GS-35-F-4461G/EQ53	1,526,000	8.0	TWCF
NMIPR20071205	2,006,000	16.0	TWCF
FA4452-06-F-0045	662,000	10.0	TWCF
FA4452-06-F-0001	1,995,000	13.0	TWCF
FA4452-08-F-0010	272,000	1.4	TWCF
FA4452-08-F-0011	238,000	1.2	TWCF
FA4452-08-F-0012	261,000	1.4	TWCF
FA4452-08-F-0013	21,000	.1	TWCF
FA4452-08-F-0014	31,000	.2	TWCF
HC1028-08-D2021/0002	1,062,000	5.0	TWCF
GS-35F-4818G/ FA4452-08-F-0004	1,359,000	10.0	TWCF
GS-23F-8006H/ FA4452-08-F-0006	911,000	6.0	BRAC
FA3002-07-D-0023	128,413,452	533.0	BOS
FA3002-07-D-0024	118,992,181	408.0	BOS
FA3002-07-D-0026	154,911,596	592.0	BOS
Totals	\$434,351,229	1,703.3	

Table 3. Contracts Erroneously Reported as A&AS.

- Incomplete A&AS Data. Contracting personnel did not report \$1.06 million of costs and 11 CMEs on 2 A&AS contracts. Details follow.

- One organization did not report A&AS costs of \$672,047 and 9 CMEs¹⁰ for services that included assessing the contributions on quality of life programs such as food service, fitness centers, child development centers, and golf clubs. As specified in the SAF/AQX data call instructions, A&AS includes services that provide organized analytical assessments/evaluation in support of decision making, management, or administration.
- Another organization did not report A&AS costs of \$392,747 and 2 CMEs¹¹ for services that included program management, analysis, and assessment of training education programs and activities. A&AS includes services that provide assistance, advice, or training for the efficient and effective management and operation of organizations and activities.

Cause. These conditions occurred because SAF/AQX has not developed an automated methodology to identify, collect, and report A&AS contract, manpower, and cost data. In addition, the instructions SAF/AQX issued for the manual data call did not fully explain the data collection sources and methodology Air Force organizations should use. Consequently, each organization brought its own perspective and focus to the data, contributing to varying interpretations of the definition of A&AS as well as which contracts met the data call criteria.

Impact. As a result, the FY 2010 A&AS data call overstated A&AS costs by more than \$430 million and CMEs by over 1,700 authorizations. Further, errors and omissions in A&AS data call submissions could result in erroneous reporting of A&AS contract status to Congress.

Audit Comment. SAF/AQX is working towards automating the annual A&AS data call but, to date, has not yet been able to refine their existing contracting and financial systems to ensure reliable information. Because of these on-going actions, we will not make a recommendation in this area.

Recommendation B.1. SAF/AQX should provide specific and detailed instructions on the criteria, sources, and collection methodology organizations should use to execute the annual A&AS data call.

Management Comments. SAF/AQX concurred with the intent of the issue and stated: “Concur with intent. We completed a services contract pilot data call in January 2010, which included specific guidance to collect PB-15 data, which was used to provide an annual inventory of all service contract information codified in U.S.C. Title 10,

¹⁰ Contract number FA3089-09-F-0351.

¹¹ Contract number FA3089-09-F-0085.

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A&AS Reporting

Section 2330a. The instructions for this data call, which requested a review of 2008 and 2009 service contract information, were signed by the Secretary of the Air Force and sent to the MAJCOMs and staff 19 January 2010 -- inputs were received by 25 March 2010. The end result of the data received is mixed and will require clarification and update, but we remain resolved to obtain this information in the most efficient and effective manner possible.

“In addition, the military departments are working with OSD Acquisition, Technology and Logistics, to develop a long-range reporting system that can be used to accurately collect contract services information and meet reporting requirements detailed in Section 2330a. While this OSD/Service effort will take several more years to come to fruition, SAF/AQX is closely working with SAF/AQC, the Air Force Program Executive Office for Combat and Mission Support (AFPEO/CM), and the Secretary of the Air Force Deputy Assistant Secretary for Budget (SAF/FMB) to ensure Element of Expense Investment Codes (EEICs) assigned to A&AS contracts are correctly used and expenditures contained in Object Class 25.1, per Office of Management and Budget Circular A-11. Also, the definition of what constitutes A&AS contracts is currently being reviewed as part of the United States Secretary of Defense (SecDef)-directed review of service support contracts contained in SecDef Memo, 24 September 2010, Reducing Reliance on DoD Service Support Contractors. We will include these changes, along with A&AS data call instructions, into an acquisition policy memo which will also be incorporated into proper acquisition instructions. Estimated completion date is 31 August 2011.”

Evaluation of Management Comments. Management comments addressed the issues raised in the audit results, and management actions taken and planned are responsive and should correct the problem.

AUDIT SCOPE

Audit Coverage. We performed audit work at 21 organizations (10 installations) (Appendix II) from December 2008 through April 2010. To accomplish the audit objectives, we reviewed 28 statistically sampled contracts/task orders, valued at \$797.7 million, and related documentation dated February 1994 through January 2010. We issued management a draft report in August 2010.

- Identification/Evaluation. To assess whether A&AS requirements were appropriately identified and evaluated, we reviewed documentation, including the statements of work and performance work statements for A&AS requirements; evaluated existing A&AS guidance and policies; and held discussions with acquiring, contracting, and manpower officials. Our review also included an analysis of contractor-to-civilian conversion processes and the cost methodologies used.
- Award. To determine whether A&AS contracts were properly awarded, we reviewed contract file documentation and evaluated whether contracting personnel complied with competition and fair opportunity criteria and performance period limits for A&AS contracts. We reviewed contract file documentation to verify contracting personnel awarded A&AS contracts based on technical acceptability, past performance, and cost.
- Reporting. To evaluate FY 2010 A&AS reporting data, we verified the contract costs and the number of CMEs identified in the contracts and related documentation to the amounts submitted in the FY 2010 A&AS data call. In addition, we reviewed the guidance, policies, and processes organizations used to collect and report the A&AS data.

Sampling Methodology. We obtained universe data from SAF/AQX for the FY 2010 A&AS data call. From the universe data, we statistically selected a sample of 28 contracts/task orders valued at over \$797.7 million. In addition, we used computer-assisted auditing tools and techniques during this audit. Specifically, we imported SAF/AQX FY 2010 A&AS data call information into Microsoft Excel™ and used the COUNTA and SUM functions to analyze and summarize the universe and sample data.

Data Reliability. We did not rely on computer-generated data to support conclusions in this audit. We used contract, manpower, and financial information from the relevant source documents.

Auditing Standards. We conducted this audit in accordance with generally accepted government auditing standards and, accordingly, included such tests as considered necessary. Specifically, we evaluated the justification and approval controls for placing A&AS

Audit Scope and Prior Audit Coverage

requirements on contract and assessed the guidance, instructions, and methodologies Air Force organizations used to ensure accurate and complete A&AS reporting. In addition, we assessed compliance with applicable laws and regulations governing sourcing decisions.

PRIOR AUDIT COVERAGE

We identified one Air Force Audit Agency (AFAA) report issued during the last 5 years that addressed a similar objective as this audit. Specifically, AFAA Report of Audit F2006-0001-FC3000, *Support Contract Data Validation*, 7 February 2006, reported MAJCOM and DRU officials provided inaccurate and incomplete support contract data in response to the A&AS data calls. The audit recommended Air Force officials (a) hold a data call summit to identify relevant questions and issues on the data collection process, (b) designate a MAJCOM/DRU office of primary responsibility (OPR) for data collection, (c) clarify supporting organizations responsibilities for providing data inputs to designated OPR, and (d) revise and strengthen A&AS data call guidance. We performed an analysis of the A&AS data call process similar to that accomplished in the prior audit and found that even though management had agreed to implement corrective actions, the same conditions continued to exist. (See our results at Tab B.)

RELATED REPORTS

We identified three Government Accountability Office (GAO) and DoD Inspector General (IG) reports that addressed related objectives. However, we did not specifically follow up on the recommendations made in these reports. The audit results are summarized below.

- GAO Report 10-39, *Defense Acquisitions: Further Actions Needed to Address Weaknesses in DoD's Management of Professional and Management Support Contracts*, 20 November 2009, examined the extent to which DoD considered the risks of contractors closely supporting inherently governmental functions. GAO recommended that DoD consider and document how contractors closely support inherently governmental functions during management reviews and mitigate related risks before issuing task orders.
- GAO Report 08-319, *Congressional Action Needed to Address Longstanding Problems with Reporting of Advisory and Assistance Services*, 31 March 2008, determined agencies reported A&AS obligations were inaccurate and not used for management purposes. Different interpretations of the broad A&AS definition contributed to errors in identifying contracts. Therefore, GAO recommended Congress consider clarifying the statutory definition of A&AS. In addition, agencies' approaches for reporting A&AS obligations to the Office of Management and Budget were inconsistent. To address the longstanding problems with

reporting A&AS obligations, GAO recommended Congress consider re-evaluating the need for separate budget reporting of A&AS.

- DoDIG Report D-2010-054, *Advisory and Assistance Services Contracts in Support of the Air Force Combat Search and Rescue Helicopter*, 4 May 2010, reported contracting officials did not ensure the Air Force retained full responsibility for inherently governmental functions and included personal services on A&AS task orders supporting the program. The audit recommended Air Force officials develop policies and procedures detailing specific contract oversight requirements to discourage and prevent government personnel from tasking contractors with the performance of inherently governmental functions and personal services. DoDIG also recommended program officials identify contractor positions for conversion to civilian/military positions.

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Locations Audited/ Reports Issued

<u>Organization/Location</u>	<u>Installation-Level Reports Issued</u>
<u>Air Combat Command (ACC)</u>	
HQ ACC Langley AFB VA	F2010-0019-FDM000 13 Jan 2010
Global Cyberspace Integration Center Langley AFB VA	F2010-0018-FDM000 5 Jan 2010
55th Wing Offutt AFB NE	F2010-0044-FBL000 17 May 2010
<u>Air Education and Training Command (AETC)</u>	
HQ AETC Randolph AFB TX	F2010-0043-FDS000 3 Mar 2010
<u>Air Force District of Washington (AFDW)</u>	
HQ AFDW Joint Base Andrews MD	F2010-0029-FDN000 11 May 2010
<u>Air Force Intelligence, Surveillance, and Reconnaissance Agency (AFISRA)</u>	
HQ AFISRA Lackland AFB TX	NONE
<u>Air Force Materiel Command (AFMC)</u>	
HQ AFMC Wright-Patterson AFB OH	NONE
Aeronautical Systems Center Wright-Patterson AFB OH	NONE
Air Force Global Logistics Support Center Wright-Patterson AFB OH	F2010-0029-FCW000 30 Apr 2010
Air Force Research Laboratory Detachment 1 Wright-Patterson AFB OH	NONE

Locations Audited/ Reports Issued

<u>Organization/Location</u>	<u>Installation-Level Reports Issued</u>
Air Force Materiel Command (AFMC) (Cont'd)	
Electronic Systems Center Hanscom AFB MA	NONE
303d Aeronautical Systems Wing Wright-Patterson AFB OH	NONE
312th Aeronautical Systems Wing Wright-Patterson AFB OH	NONE
516th Aeronautical Systems Wing Wright-Patterson AFB OH	NONE
Air Force Security Forces Center	
Air Force Security Forces Center Lackland AFB TX	F2010-0041-FDS000 1 Mar 2010
Air Force Space Command	
Space and Missile Systems Center Los Angeles AFB CA	NONE
21st Space Wing Peterson AFB CO	F2010-0031-FBM000 17 Feb 2010
Air Force Weather Agency	
Air Force Weather Agency Offutt AFB NE	NONE
Air Mobility Command (AMC)	
HQ AMC Scott AFB IL	F2010-0080-FBL000 13 Sep 2010
375th Air Mobility Wing Scott AFB IL	F2010-0015-FBL000 21 Dec 2009

**Locations Audited/
Reports Issued**

Organization/Location

**Installation-Level
Reports Issued**

United States Strategic Command (USSTRATCOM)

USSTRATCOM
Offutt AFB NE

F2010-0033-FBL000
11 Mar 2010

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We accomplished this audit under project number F2009-FC1000-0008.000.

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